



GROUND BREAKING / AUGUST 23, 2010

PROGRAM

Welcome
Rand Griffin
President & CEO, Corporate Office Properties Trust

Singing of the National Anthem
Gena Wade Scofield

Invocation
Chaplain (LTC) Marvin Luckie
Garrison Chaplain, Redstone Arsenal

Opening Remarks
Rand Griffin

Jim Wilson
Chairman & CEO, Jim Wilson & Associates

Remarks
The Honorable Jeff B. Sessions, III
United States Senate

The Honorable Parker Griffith, M.D.
United States House of Representatives

The Honorable Tommy Battle
Mayor, City of Huntsville

Colonel Robert M. Pastorelli
Garrison Commander, U.S. Army Garrison - Redstone

Featured Speaker
Major General James R. Myles
Commanding General, U.S. Army Aviation and Missile
Command, and Senior Commander of Redstone Arsenal



VIP GROUND BREAKING TEAM



Groundbreaking celebrates beginning of work on huge Redstone Gateway office park

The Huntsville Times

HUNTSVILLE, AL -- It's about business and it's about 4.4 million square feet of new office space, of course, but make no mistake, the huge Redstone Gateway office park is about soldiers.

"It's about all of us being given an opportunity here to support our country, support the warfighter, defend the nation," said Redstone Arsenal Commander Maj. Gen. James Myles during groundbreaking ceremonies for the project Monday.

He told a large crowd of national, state and local lawmakers, executives and other officials that there is no other place that combines research and resources like the arsenal and Huntsville, he said.

"Trust me, we are very, very close to the fight," Myles said. "We'd better be good at what we do. We'd better have the right opportunities to protect this work force and get them what they need to make the big difference."

What they need is space, and they'll soon get it. Monday's groundbreaking marked the beginning of sewer, road and infrastructure work at the 468-acre site just south of Interstate 565 at the Rideout Road/Gate 9 entrance to the arsenal.

The first buildings will begin going up this fall, said Randall Griffin, president and CEO of Corporate Office Properties Trust. They are to open in the fall of 2011, coinciding with the 2005 Base Realignment and Closure deadline for moving nearly 4,700 federal positions to the arsenal.

During the next 15 to 20 years, plans call for Redstone Gateway to include about 50 multistory, LEED-certified office buildings for a total of about 4.4 million square feet of space, including 1.2 million "secure" behind the arsenal boundary; two hotels; restaurants; an amphitheater overlooking a lake; and retail stores supporting the office tenants.

"This is going to be the face of Redstone Arsenal," Myles said.

"It will be, I think, just a dynamic, impressive, positive image of what this whole community is about when people come into the gateway of Redstone," said U.S. Sen. Jeff Sessions, R-Mobile, after the ceremony. "I think most people here realize what an incredibly diverse and synergistic community we've developed here" with regard to defense, space, missiles and aviation.

The Redstone Gateway development "I believe will provide further encouragement for national and international companies to invest here," Sessions said. "To come here, to bring their top scientists and engineers here, to just further the upward spiral of success that the community has had."

"It's going to be a win-win for all" said Garrison Commander Col. Robert Pastorelli. "I look to the day when the first building is built and the occupants come in because I will tell you that they are beating on the door, ready to take some space."

The \$1 billion development has been in the works since 2005 and is being made possible by a unique, complex arrangement with the Army, which is letting land be used under an "Enhanced Use Lease," their hand-picked developer LW Redstone and a variety of government agencies.

LW Redstone is a partnership between Maryland-based Corporate Office Properties Trust, a major developer of office space for the federal government, and Jim Wilson & Associates of Montgomery, best known for the upscale Riverchase Galleria in Hoover.

For the deal, the Alabama Legislature and local governments have approved a Tax Increment Finance plan; the City of Huntsville annexed the site so the buildings in Redstone Gateway will be subject to property and sales taxes; and the city is borrowing \$76 million from LW Redstone to pay for needed sewer, road and other infrastructure improvements at the site.

It will be repaid using property taxes generated by the Redstone Gateway buildings, an arrangement negotiated by Huntsville Mayor Tommy Battle that means LW Redstone assumes most of the risk if for some reason the project doesn't come to fruition.

"This is a large project and we estimate that in the first

20 years alone the real estate property taxes are over \$114 million," Griffin said. "And that number grows to well over \$500 million during the 50 years of the initial term."

Jim Wilson and Associates was awarded the EUL opportunity in 2006 and brought in COPT - which has a wealth of experience in government buildings - as a partner in 2008. The project took far longer to bring together than expected, said Jim Wilson III, JWA's chairman and CEO.

"The road to success was not 18 months, but four years," he said. "We had two mayors, two garrison commanders, three state legislative bills, two joint venture partners, an economic recession and the Pentagon ... Other than that it was pretty easy."

It was certainly a tough project, Battle said, thanking his predecessors and the many lawmakers, city staff and dozens of others involved.

"Every one of you out there are part of making this project a success and making this community a success," he said to the crowd under a white tent Monday.

Battle said a pivotal moment came during one of the group's last meetings on the arsenal when Myles told them they weren't leaving until an agreement was ironed out. He reminded them there were soldiers with guns outside to back him up and, when everyone was thinking about going to get something to eat, he even broke out the MRE's - the Meals Ready to Eat used by troops in the field - to keep them there.

"It was very important to me to get the deal finished," said Myles, who is retiring from the Army next month and handing the flag to a new commander, Maj. Gen. James Rogers.

"The big thing is to have an agreement and commitment to do something unique for the arsenal here, to help the mission continue," he said, adding that the mission is far more than military and includes NASA, the FBI and nearly 50 federal agencies.

Pastorelli said access roads have been made available to contractors for this phase of construction and there should be minimal disruption to the already-heavy traffic flow through Gate 9 every day.



EVENT SPEAKERS



INVITED GUESTS





Officials celebrate groundbreaking for Redstone Gateway

HUNTSVILLE, AL (WAFF) - Redstone Gateway has been dubbed the area’s “next research park” and it will be located near Redstone Arsenal.

Construction for the project located near gate nine just off of Interstate 565 began Monday morning.

The expansion will include offices, restaurants, hotels, even retail stores. This 4.6 million square foot development will accommodate about 15,000 jobs coming to the area and will support the missions of Redstone Arsenal.

The city has been working on this project for months.

City officials, arsenal officials and Senator Jeff Sessions attended the ground breaking ceremony Monday morning to celebrate the start of this development.

“The key elements is the jobs that will come to Redstone, 15,000 to 20,000. That’s about an eight percent increase to the economy, sitting right here in north Alabama,” said Huntsville Mayor Tommy Battle.

The project will cost about \$1 billion and take about 20 years to build. Builders say some office buildings should be complete by next fall.



Mega Development Underway At Redstone Arsenal

HUNTSVILLE, AL - Developers say a mega project that could potentially bring in mega millions is now underway at Redstone Arsenal. Numerous state and local leaders broke ground Monday morning on the “Project Gateway” development, which encompasses everything from high-tech rocket search to restaurants.

Officials say the one billion dollar development will build more than four million square feet of office space, while also creating up to 20,000 new jobs.

The “Project Gateway” setup will allow the military and civilian contractors to work side-by-side, with more than three quarters of the development lying outside security gates despite being on Arsenal property. Huntsville city leaders negotiated the deal which transferred that land from the U.S. Army to the city. The development also calls for restaurants, retail shops, hotels and an ampitheater for concerts.

“This is going to be the face of the Arsenal,” said Redstone Commander Major Gen. James Myles. “We’re bursting at the seams, we don’t have enough office space. So what we thought we’d do is take a bit different track and say ‘Let’s build buildings on the Arsenal, but outside the gates.’”

Construction is expected to begin in October, with phase one of the project scheduled for completion in October 2011. U.S. Sen. Jeff Sessions (R) was one of several political heavyweights on hand who lauded the mega-sized development.

“We’re excited, it’s going to be first-rate,” said Sessions. “We’ve created a synergy here, a synergy for military, space and technology that’s like nothing anywhere in the country.”

Huntsville Mayor Tommy Battle told WHNT NEWS 19 that anywhere from 14,000 to 20,000 new jobs will be created by Project Gateway. Corporate Office Properties Trust is the development company overseeing the project.



MAJOR GENERAL MYLES





Big Expansion Project at Redstone Arsenal Underway

The face of Redstone Arsenal is about to change.

Government owned land that borders Rideout Road next to Redstone Arsenal will have a new look this time next year.

Phase one of Redstone Gateway will be well underway.

Corporate Office Properties Trust and Jim Wilson and Associates are teaming up to develop the land into a multi-purpose area. They announced the big news at a news conference in Huntsville.

“It’s a project that is for the Army, for improving the mission and supporting the mission and advancing the mission as well as giving them modern offices, giving them the opportunity of not having to go through the gate necessarily and still being able to conduct their business,” says Rand Griffin, the Chief Executive Officer with C.O.P.T.

The construction project will consist of three phases, which should take 15 to 20 years to complete. When it’s all said and done, there will be 4.6 million square feet of office and retail space. Developers will also build a hotel and academic facilities.

“Ultimately this is about the war fighter, about the young men and women who have boots on the ground, who are depending on our technology, who depend on our research and development. Huntsville, Alabama has been at the forefront of that and we always remember that the war fighter is why we’re here today,” says Congressman Parker Griffith.

Officials hope to have the first office buildings completed by the fall of next year.



Groundbreaking held for \$1 billion Redstone Gateway project

HUNTSVILLE NEWSWIRE

Military officers joined area civic, business, and political leaders Monday morning for the official groundbreaking for the new Redstone Gateway project.

Over the next few years it is projected the facility, to be built on hundreds of currently unoccupied acres around Gate 9 at Redstone Arsenal, will include dozens of buildings housing up to 15,000 workers.

Redstone Gateway’s 4.4 million square feet of office space is crucial to accommodating missions and related federal contractors moving to Redstone Arsenal and Huntsville as a result of recommendations made by the BRAC Commission. The park will support the missions of Redstone Arsenal and will bring as many as 15,000 jobs to the area. Creating a signature entryway to Redstone Arsenal, this park will provide a collaborative place for Army employees and defense contractors to work together in a high quality, “green” environment. In addition to its 4.4 million sf of planned office space (including 1.2 million sf of secure space, behind the Redstone Arsenal gate), the park will offer approximately 124,000 sf of convenience retail, restaurants, hotels and more.

Who is Responsible for Project Development:

A development agreement has been signed between the City of Huntsville and LW Redstone (the joint venture partnership of Corporate Office Properties Trust and Jim Wilson & Associates). Leaders from the Federal Government, the state of Alabama, Madison County, the City of Huntsville and Redstone Arsenal, have all cooperated to help bring this project to fruition. The land is owned by the U.S. Government and is under a long term master lease to the joint venture through the Enhanced Use Lease (EUL) program. Please refer to the fact sheets included in this media kit for more details about the developers, Redstone Arsenal, and the City of Huntsville.

Timeline of Events Leading to This Point in the Project:

In 2006, Jim Wilson & Associates (JWA) was awarded the Redstone Arsenal Enhanced Use Lease (EUL) opportunity. When the project stalled in mid-2008, JWA contacted Corporate Office Properties Trust (COPT), having heard through financial industry channels that COPT would be a strong and capable partner. COPT and JWA formed a joint venture in 2008 and since then have been working closely as partners. COPT and JWA pursued negotiations and built relationships with the U.S. Army and the City of Huntsville. In 2009, COPT and JWA negotiated the master lease with the U.S. Army, and in



2010, the Development Agreement and TIF came to fruition with cooperation from the City of Huntsville.

Project Scope:

Located at the Southwest Quadrant of I-565 and Rideout Road, the park will encompass 4.6 million sf of office and retail space, including 1.2 million sf of secured space, on 468 acres. This pedestrian-friendly environment will overlook a series of lakes and will include public open space, an academic campus and retail and hospitality venues. Approximately 50 buildings will eventually be constructed, including both multi-tenant and single-tenant occupancy. The master plan calls for three to six stories, which will range from approximately 100,000 to 200,000 sf. A variety of federal contractors and private businesses that support the missions of Redstone Arsenal are expected to occupy the space.

Anticipated Construction Timeline:

The first phase of construction will begin in October 2010, with the first buildings potentially ready by 4th Quarter of 2011. It is anticipated that the development and construction activity on Redstone Gateway will occur over a 15 to 20 year time period.

Amenities:

The master plan includes a retail district with restaurants and an amphitheater overlooking a lake, as well as two hotels offering approximately 300 lodging rooms. The initial phase of retail development will be completed in the same fourth quarter 2011 timeframe as the office buildings, and developed as needed to support the office tenants.

Green Standards:

All office buildings will be built to LEED Silver certification standards or higher. COPT is a national leader in developing LEED certified buildings, and takes pride in creating environments that inspire success. For more about COPT’s commitment to Green standards, visit www.copt.com and click on “Development and Sustainability.”

COPT GROUND BREAKING TEAM



JIM WILSON & ASSOCIATES GROUND BREAKING TEAM



CITY OF HUNTSVILLE GROUND BREAKING TEAM



REDSTONE ARSENAL GROUND BREAKING TEAM





